

SAFWA ISLAMIC BANK
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-THE HASHEMITE KINGDOM OF JORDAN

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 March 2024
TOGETHER WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT

SAFWA ISLAMIC BANK
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-THE HASHEMITE KINGDOM OF JORDAN
31 MARCH 2024

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**Report on Review of Interim Condensed Consolidated Financial Statements
To the Board of Directors of Safwa Islamic Bank - Public Shareholding Company
Amman - Jordan**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Safwa Islamic Bank (the "Bank") and its subsidiary (the "Group") as at 31 March 2024, comprising of the interim condensed consolidated statement of financial position as at 31 March 2024 and the related interim condensed consolidated statements of income and other comprehensive income, interim condensed consolidated statements of changes in shareholders' equity and interim condensed consolidated statements of cash flows for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Financial Accounting Standard No. (41) ("Interim Financial Reporting") related to the preparation of interim financial reports issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with Financial Accounting Standard No. (41).

Other Matter

The consolidated financial statements for the year ended 31 December 2023 and the interim condensed consolidated financial statements for the period ended 31 March 2023 were audited and reviewed by another auditor who expressed an unqualified opinion and unqualified conclusion on 18 February 2024 and 19 April 2023, respectively.

Ernst and Young

Amman – Jordan
23 April 2024

ERNST & YOUNG
Amman - Jordan

Statement (A)

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan

Interim Condensed Consolidated Statement of Financial Position

	Notes	31 March 2024 (Reviewed) JD	31 December 2023 (Audited) JD
<u>Assets</u>			
Cash and balances at the Central Bank	4	215,943,459	255,949,654
Balances at banks and the financial institutions		14,861,495	26,513,323
International wakala investments - net	5	174,643,785	85,131,319
Deferred sales receivables and other receivables - net	6	1,299,049,884	1,287,370,515
Financial assets at fair value through shareholders' equity - self financed		554,000	508,000
Financial assets at fair value through unrestricted investment accounts' holders	7	478,738,582	452,088,535
Investment in an associate		349,622	349,622
Ijara Muntahia Bittamleek assets - net	8	718,602,961	695,772,768
Qard Hasan - net	Statement (E)	30,834,907	34,380,739
Property and equipment - net		20,495,102	20,750,849
Intangible assets - net		1,632,565	1,697,221
Right-of-use assets		9,754,312	10,188,361
Deferred tax assets	10/C	11,270,911	12,225,792
Other assets	9	51,743,741	46,056,778
Total Assets		3,028,475,326	2,928,983,476
<u>Liabilities</u>			
Banks and financial institutions' accounts		14,818,965	23,144,067
Customers' current accounts		316,231,625	319,719,876
Cash margins		137,216,628	95,274,911
Income tax provision	10/A	10,348,874	11,919,750
Other provisions		163,719	163,719
Lease liabilities		9,547,404	10,295,338
Other liabilities	11	83,329,187	82,999,447
Total Liabilities		571,656,402	543,517,108
<u>Unrestricted Investment Accounts Holders' Equity</u>			
Unrestricted investment accounts	12	2,263,932,938	2,196,527,695
Fair value reserve		(424,805)	(371,067)
Total Unrestricted Investment Accounts Holders' Equity		2,263,508,133	2,196,156,628
<u>Shareholders' Equity</u>			
Paid-in capital		100,000,000	100,000,000
Statutory reserve		35,041,275	35,041,275
Fair value reserve - self		20,931	(25,069)
Retained earnings		54,293,534	54,293,534
Profit for the period - Statement (B)		3,955,051	-
Total Shareholders' Equity		193,310,791	189,309,740
Total Liabilities, Unrestricted Investment Accounts Holders' and Shareholders' Equity		3,028,475,326	2,928,983,476

The attached notes (1) to (25) form part of these interim condensed consolidated financial statements and should be read with them

Statement (B)

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman-The Hashemite Kingdom of Jordan

Interim Condensed Consolidated Statement of Income and Other Comprehensive Income

	<u>Notes</u>	For The Three Months Ended 31 March	
		2024 (Reviewed)	2023 (Reviewed)
		JD	JD
Deferred sales revenue	13	21,727,454	22,249,853
Ijara Muntahia Bittamleek assets revenue		14,659,598	12,580,486
Gains from International wakala investments		1,802,611	765,500
Gains from financial assets at fair value through unrestricted investment accounts' holders equity	14	5,830,286	2,602,828
Gains from financial assets at fair value through profit or loss	15	2,958	7,385
Gains from financial assets at amortized cost		-	503,265
(Losses) gains from foreign currencies evaluation		(70,368)	29,680
Other jointly revenues - net		444,355	515,443
Total unrestricted investment revenue		44,396,894	39,254,440
Deposit Insurance fees - jointly financed accounts		(814,046)	(682,689)
Share of unrestricted investment accounts holders'		(26,126,622)	(21,267,905)
Provision of expected credit losses - joint	5, 6, 7 & 11	(5,350,317)	(5,494,007)
Bank's share of revenue from unrestricted investments as a mudarib and rab mal		12,105,909	11,809,839
Bank's self financed revenues	16	225,038	212,412
Banks share from the restricted investments revenue as agent (wakeel)		-	15,286
Gains from foreign currencies		606,577	399,750
Banking services revenue - net		2,285,328	2,017,626
Other revenues		2,713	21,600
Deposit Insurance fees - self financed		(438,076)	(433,986)
Gross Income		14,787,489	14,042,527
Employees' expenses		(4,498,540)	(4,130,285)
Depreciation and amortization		(785,017)	(769,136)
Depreciation of Ijara muntahia bittamleek assets- self financed		(134,655)	(128,975)
(Provision) recovered from provision of expected credit losses - self	6, 11 & Statement (E)	(112,349)	26,641
Depreciation of right-of-use assets		(455,608)	(421,647)
Finance costs / discount on lease liability		(86,784)	(91,442)
Rent expenses		(30,201)	(43,853)
Other expenses		(2,299,271)	(2,331,383)
Total expenses		(8,402,425)	(7,890,080)
Profit for the period before tax		6,385,064	6,152,447
Income tax expense	10/B	(2,430,013)	(2,348,702)
Profit for the period		3,955,051	3,803,745
Comprehensive income items			
Add: other comprehensive Income items after tax:			
Gains from sale of financial assets at fair value through shareholders' equity-self financed		-	34,815
Net change in fair value reserve for financial assets		46,000	(21,662)
Total comprehensive income for the period		4,001,051	3,816,898
		JD/FILS	JD/FILS
Basic and diluted earnings per share for the period	17	0/040	0/038

The attached notes (1) to (25) form part of these interim condensed consolidated financial statements and should be read with them

Statement (C)

Safwa Islamic Bank

(A Public Shareholding Limited Company)

Amman-The Hashemite Kingdom of Jordan

Interim Condensed Consolidated Statement of Changes in Shareholders' Equity

	Paid-in capital	Statutory reserve	Fair value reserve - Self financed	Retained Earnings *	Profit for the period	Total
	JD	JD	JD	JD	JD	JD
<u>For the three months ended 31 March 2024</u>						
Balance as at the beginning of the period	100,000,000	35,041,275	(25,069)	54,293,534	-	189,309,740
Total comprehensive income for the period - (Statement B)	-	-	46,000	-	3,955,051	4,001,051
Balance as of 31 March 2024	100,000,000	35,041,275	20,931	54,293,534	3,955,051	193,310,791
<u>For the three months ended 31 March 2023</u>						
Balance as at the beginning of the period	100,000,000	32,208,887	14,593	39,580,861	-	171,804,341
Total comprehensive income for the period - (Statement B)	-	-	(21,662)	34,815	3,803,745	3,816,898
Balance as at 31 March 2023	100,000,000	32,208,887	(7,069)	39,615,676	3,803,745	175,621,239

- Retained earnings include a balance of JD 918,067 as of 31 March 2024 (JD 887,643 as at 31 December 2023) which represents deferred tax assets -self financed and it is restricted from use based on the Central Bank of Jordan

* Based on CBJ instructions no.(13/2018) dated 6 June 2018, the general banking risks reserve which was transferred to retained earnings, amounted to JD 108,397 is restricted from use without prior approval from the Central Bank of Jordan.

The attached notes (1) to (25) form part of these interim condensed consolidated financial statements and should be read with them

Statement (D)

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman-The Hashemite Kingdom of Jordan
Interim Condensed Consolidated Statement of Cash Flows

		For the three months period ended 31 March	
	Notes	2024 (Reviewed) JD	2023 (Reviewed) JD
<u>Cash flows from operating activities</u>			
Profit for the period before tax - statement (B)		6,385,064	6,152,447
Adjustments for non-cash items:			
Depreciation and amortization		785,017	769,136
Depreciation of Ijara Muntahia Bittamleek assets (self & jointly financed)		17,641,668	12,353,241
Depreciation of right-of-use assets		455,608	421,647
Finance costs (discount on lease liabilities)		86,784	91,442
Provision of expected credit losses - joint		5,350,317	5,494,007
Provision (recovered from) of expected credit losses - self		112,349	(26,641)
Gains from the sale of property and equipment		-	(177)
(Recovered from) provision for impairment seized real estates / joint funds	9	(10,317)	11,718
Gains from sale of seized assets against debts		(41,964)	(75,326)
Profit before changes in assets and liabilities		30,764,526	25,191,494
<u>Changes in assets and liabilities</u>			
Deferred sales receivables and other receivables		(16,987,032)	(39,754,663)
Ijara Muntahia Bittamleek assets		(40,471,861)	(55,352,772)
Qard Hasan		3,432,409	2,307,800
Other assets		(6,256,177)	(5,109,205)
Customers' current accounts		(3,488,251)	(11,918,510)
Cash margin accounts		41,941,717	(118,434)
Other liabilities		456,727	2,706,208
Net cash flows from (used in) operating activities before income tax paid		9,392,058	(82,048,082)
Income tax paid	10/A	(3,005,311)	(2,366,742)
Net cash flows from (used in) operating activities		6,386,747	(84,414,824)
<u>Cash flows from investing activities</u>			
(Purchase) sale of financial assets at fair value through unrestricted investment accounts holders equity		(26,726,646)	15,147,645
Sale of financial assets at fair value through profit or loss		-	35,143
Purchase of financial assets at fair value through equity - self		-	(264,307)
Purchase of intangible assets		(123,226)	(153,143)
Purchase from sale of property and equipment		(341,387)	(424,888)
Proceeds from sale of seized assets against debts		580,798	244,148
Increase in International Wakala Investments		(89,658,173)	(2,864,841)
Net cash flows (used in) from investing activities		(116,268,634)	11,719,757
<u>Cash flows from financing activities</u>			
Increase in unrestricted investment holders equity		67,405,243	49,335,106
Paid from lease liabilities		(856,277)	(832,393)
Net cash flows from financing activities		66,548,966	48,502,713
Net decrease in cash and cash equivalents		(43,332,921)	(24,192,354)
Cash and cash equivalents at beginning of the year		259,318,910	198,857,604
Cash and cash equivalents at end of the period	18	215,985,989	174,665,250

The attached notes (1) to (25) form part of these interim condensed consolidated financial statements and should be read with them

Statement (E)

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman-The Hashemite Kingdom of Jordan
Statement Of Sources And Uses Of Al-Qard Al-Hasan Fund

	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Balance at the beginning of the period / year	34,221,814	4,240,493
Sources of the Fund from:		
Shareholders' equity	(11,732,798)	(12,780,208)
Total Sources of the fund during the period / year	(11,732,798)	(12,780,208)
Uses of the Fund on:		
Companies	3,180,611	42,691,704
Employees	14,895	69,825
Total uses during the period / year	3,195,506	42,761,529
Gross balance	25,684,522	34,221,814
Add: exposed accounts	6,139,957	1,035,074
Less : provision of expected credit losses	(989,572)	(876,149)
Balance at the end of the period / year - net	30,834,907	34,380,739

Safwa Islamic Bank
(Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Notes To the Interim Condensed Consolidated Financial Statements

(1) GENERAL

Safwa Islamic Bank is a public shareholding company licensed by the Central Bank of Jordan to practice and provide Islamic business and banking services in accordance with the Banking Law and the Companies Law.

The Bank provides all financial banking and structured investment services on a non-interest basis in accordance with Islamic Sharia' through the Bank's head office and its forty -three branches within the Kingdom and its subsidiary, in accordance with the effective Banking Law.

The authorized and paid-up capital of the Bank is JD 100 million consisting of 100 million shares, with a nominal value of one Dinar per share.

The Bank's Board of Directors recommended increasing the Bank's capital to 120 million shares in its meeting held on 4 February 2024, and the approval of the Central Bank of Jordan was obtained in addition to the approval of the Bank's General Assembly in its meeting held on 18 April 2024.

Etihad Islamic Investment Company ("Parent Company") owns 62.37% of the Bank's capital.

The interim condensed consolidated financial statements for the three months ended 31 March 2024 were approved by the Bank's Board of Directors at its meeting no. (2/2024) on 18 April 2024.

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES

(2-1) Basis of preparation of the interim condensed consolidated financial statements:

The interim condensed consolidated financial statements of the Bank and its subsidiary financed from the Bank's funds (the "Group") have been prepared in accordance with Financial Accounting Standard No. (41) ("Interim Financial Reporting") related to the preparation of interim financial reports issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"). The Bank also complies with the applicable local laws and the instructions of the Central Bank of Jordan and in the absence of standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions related to the items of the financial statements, the International Financial Reporting Standards and their interpretations are applied in conformity with Sharia' standards until Islamic standards are issued for them.

The Bank has fully implemented the Islamic Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions starting from 1 January 2024 instead of the Islamic Accounting Standards as amended by the instructions of the Central Bank of Jordan and the variances between these two frameworks are not material to the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements have been prepared in accordance with the historical cost basis except for the financial assets at fair value through owners' equity and financial assets at fair value through the joint investment account holder's equity.

The interim condensed consolidated financial statements are presented in Jordanian Dinar (JD), which is the functional currency of the Bank.

The interim condensed consolidated financial statements do not contain all information and disclosures for annual consolidated financial statements prepared in accordance with Sharia' rules and principles determined by the Bank's Sharia Supervisory Board and in accordance with Financial Accounting Standards issued by Accounting and Auditing Organization for Islamic Financial Institutions and it shall be read in conjunction with the Bank's annual report as of 31 December 2023. In addition, the results for the three-month period ended 31 March 2024 do not necessarily indicate the expected results for the year ended 31 December 2024 and no appropriation was made for the three months profits ended 31 March 2024 since it is made at year-end.

(2-2) Basis of consolidation of the interim condensed consolidated financial statements:

The interim condensed consolidated financial statements comprise of the financial statements of the Bank and its subsidiary which is financed by the Bank's own funds and the Bank has the control to govern the operational and financial policies of the subsidiary to obtain benefits from its activities, all inter-company balances, transactions, revenue, expenses and off –balance sheet items between the Bank and its subsidiary are eliminated.

The financial statements of the subsidiary are prepared for the same reporting period as the Bank using same accounting policies applied by the Bank.

The subsidiary's operation results are consolidated in the interim condensed consolidated statements of income and other comprehensive income from the acquisition date which is the date the Bank actually obtains control on the subsidiary. The subsidiary's discontinued operation results are consolidated in the interim condensed consolidated statements of income and other comprehensive income which is the date that the Bank loses the control on its subsidiary.

The Bank owns the following subsidiary as of 31 March 2024:

Subsidiary name	Paid-in Capital	Source of Funding	Ownership %	Company Main Activity	Operation location	Acquisition Date
	JD					
Misc for brokerage company	2,000,000	Self	100%	Brokerage	Amman	2011

(2-3) Changing in accounting policies:

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023 except that the Group has adopted the following new standards:

Financial Accounting Standard No. (40) "Financial Reporting for Islamic Finance Windows"

This standard improves and replaces FAS no. (18) "Islamic financial services provided by conventional financial institutions" and specifies financial reporting requirements applicable to conventional financial institutions that provide Islamic financial services. This standard requires traditional financial institutions that provide Islamic financial services through Islamic financing windows to prepare and submit financial statements for Islamic financing windows aligned with the requirements of this standard and other financial accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). This standard provides principles of financial reporting including presentation and disclosure requirements applicable to Islamic finance windows.

This standard is not applicable to the Group.

Financial Accounting Standard No. (44) "Determining Control of Assets and Business"

Financial Accounting Standard no. (44) aims to establish principles for assessing whether an enterprise controls assets and business projects both in the case of assets subject to a participatory structure contract (so as to determine whether they are on or off-balance sheet) as well as to enforce the consolidation of the financial statements of subsidiaries.

These amendments had no impact on the interim condensed consolidated financial statements.

3) Use of estimates

The preparation of interim condensed consolidated financial statements requires the Bank's management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues, expenses, and the resultant provisions and the fair value changes reported in owner's equity and unrestricted investments accounts holder's equity. In particular, considerable judgment by the Bank's management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ as a result of changes in conditions and circumstances of those estimates in the future.

We believe that our estimates in the interim condensed consolidated financial statements are reasonable, and the estimates are summarized as follows- :

A. Provision for expected credit losses for deferred sales receivables and other receivables.

Determining the provision for expected credit losses for financial assets requires the Bank's management to make important judgments and judgments to estimate the amounts and times of future cash flows, in addition to estimating any material increase in the credit risk of financial assets after initial recognition, in addition to taking into account future measurement information for expected credit losses.

Impairment of financial assets

The Bank applies the expected credit loss requirements and the amendments relating to the classification and measurement of financial instruments. The effect of the following instructions of the Central Bank of Jordan related to the application of AAOIFI (30) is recognized by recording the impact on the consolidated statement of Profit or loss and comprehensive income in respect of assets and financing (self). The expected credit losses and other provisions for jointly financed and investments, that were classified at fair value through unrestricted investment accounts holders' equity will be charged on the common pool.

Credit-impaired financial assets

The financial asset is considered to be "credit- impaired" when one or more events have an adverse effect on the estimated future cash flows of the financial asset. Credit-impaired financial assets are referred to as third stage assets. Evidence of credit impairment includes observable data on the following events:

- The debtor is facing significant financial difficulties (severe weakness in the financial statements).
- Non-compliance with contractual conditions, such as the existence of dues equal to or greater than (90) days.
- The Bank amortized part of the debtor's obligations for reasons related to financial difficulties facing the debtor and his inability to pay the obligations in full on time.
- The existence of clear indicators indicating the imminent bankruptcy of the debtor.
- Lack of an active market for a financial instrument due to financial difficulties faced by the debtor (source of credit exposure/non-cash debt instrument).

If a single event cannot be identified, instead, the combined effect of several events may cause the financial assets to turn into assets with a credit-impaired value. The Bank assesses whether there has been a decline in credit of financial instruments measured at amortized cost or fair value through comprehensive income at each reporting date. To assess whether there is credit impairment to corporate debt instruments. Furthermore, a combination of factors such as Sukuk proceeds, credit rating, and the borrower's ability to increase funding is considered.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To determinate the impairment provision of financial assets, the bank's management requires to issue important judgments to estimate the amounts of future cash flows and their timing, in addition to estimating any substantial increase in the credit risk of financial assets after their initial recognition, taking into consideration future measurement information for expected credit losses.

Definition of default

The instructions of the Central Bank of Jordan are applied, where credit facilities are considered non-performing if their maturity or the maturity of one of their installments has passed for a period of time equal to or more than 90 days or there are clear indications indicating the possibility of default of credit facilities. The Bank's concept of default also includes the possibility of non-payment of Sukuk, Wakalat and international murabaha with banks and banking institutions.

The payment of due installments is followed up through the dedicated departments within a general framework and approved policies for this purpose.

When assessing whether a customer is unlikely to pay his credit obligation, the bank takes into account qualitative and quantitative indicators. Such information includes the type of asset, also the Bank uses various sources of information to assess defaults that are developed internally or obtained from external sources.

Significant increase in credit risk

The Bank monitors all financial assets, financial liabilities, and financial guarantee contracts that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there is a significant increase in credit risk, the Bank will measure the allowance for loss on a life-long basis rather than the expected (12) month credit loss.

The mechanism of calculating the expected credit losses (ECL)

The mathematical model for calculating the expected credit losses according to Financial Accounting Standard no. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI") is as follows:

$$\text{Expected Credit Loss} = \text{Probability of Default (PD)} * \text{Exposure at Default (EAD)} * \text{Loss Given Default (LGD)}$$

The calculation of Expected Credit Loss (ECL) depended on the calculation of the following variables:

Definition of probability of default and the mechanism of calculation and controlling (PD):

It is the probability of irregularity in repayment where it is measured for the purpose of calculating the expected credit losses for each stage from the implementation of the Financial Accounting Standard no. (30) issued by the AAOIFI based on historical data that reflecting historical default rates as well as stress testings related to macroeconomic variables, where the Bank has reflected the global and local economic conditions, on the possibility of default (Macroeconomic Adjusted PD) and adopting it as a basis in the process of calculating expected credit losses, with the aim of precaution.

The probability of default for a period of 12 months is calculated for the facilities included in stage one and the life-time probability of default for the facilities in stage two and three. The bank adopts a PD on the level of corporate portfolio clients and investment portfolio clients on an individual basis, while a general ratio for each individual product is based on a collective basis.

Definition of Exposure at Default and Mechanism of Calculating and Controlling (EAD):

It is the amount of potential exposure that is subject to risk - uncovered balance by acceptable collaterals - for exposures that fall within the scope of Financial Accounting Standard no. (30) issued by the AAOIFI through forward-looking for the period in which the default may occur. The exposure at default is measured for the purposes of calculating expected credit losses for each stage according to FAS 30 issued by AAOIFI where an EAD haircut is used to determine the on-balance sheet exposure that subjected to risk where the off-balance statistical exposure utilization (DDF) is used to determine the potential utilization for those exposures (LGs, LCs and Unutilized Limits). Exposure at Default (EAD) is calculated by the total facilities for the first and second stages and net facilities for the third stage.

Definition of loss given default and mechanism of calculating and controlling (LGD):

It is the amount of loss that arises as a result of defaulted facilities and that is calculated through a statistical model which analyzes the historical collections for each portfolio, where it measured for the purpose of calculating the expected credit loss for each stage of expected credit losses according to the instructions for the implementation of FAS 30 issued by AAOIFI by calculating the recoverable amount of the different collateral (cars, real estate, cash margins, land, machinery, equipment and vehicles) provided to the Bank against the facilities that granted and legally documented into contracts through a conversion factor for each type of collateral taking into consideration the timing of reaching each type of collateral and turn them into cash (expected cash flow and timing).

The main economic variables used by the Bank in calculating the expected credit losses:

The main economic variables (macroeconomic variables) were included in the automated system for calculating the expected credit losses. The Bank adopts three scenarios, which are the base scenario, the optimistic scenario, and the pessimistic scenario, which were determined based on economic studies issued by the World Bank and international rating agencies. The weights of the scenarios used by the Bank are as follows:

Scenario	Weight as of 31 March 2024	Weight as of 31 December 2023
Baseline	50%	50%
Optimistic	10%	5%
Pessimistic	40%	45%

B. Income tax provision:

The income tax expense is charged to its financial year according to the accounting regulations, laws and standards. Deferred tax assets, liabilities, and required tax provision are recognized and calculated.

C. Legal provisions:

A provision is taken to meet any potential legal obligations based on the legal study prepared by the Bank's legal counsel which identifies the risks that may arise in the future and reviews the study periodically.

(4) CASH AND BALANCES AT THE CENTRAL BANK

The details of this item are as follows:

	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Cash-on-hand	28,521,043	27,298,492
Balances at the Central Bank of Jordan:		
Current accounts	89,851,363	133,591,073
Statutory cash reserve	97,571,053	95,060,089
Total balances at the Central Bank of Jordan:	187,422,416	228,651,162
Total	215,943,459	255,949,654

- Except for the statutory cash reserve, there are no other restricted cash balances at the Central Bank of Jordan as at 31 March 2024 and 31 December 2023.

- Provision of expected credit losses has not been calculated on the balances at the Central Bank of Jordan as they are exposures with the Jordanian government.

The movement on balances at the Central Bank of Jordan is as follows:

	Stage 1 (individual)	Stage 1 (individual)
	For the period ended 31 March 2024	For the year ended 31 December 2023
	JD	JD
Balance at the beginning of the period / year	228,651,162	178,217,660
New balances during the period / year	291,165	50,433,502
Settled balances	(41,519,911)	-
Balance at the end of the period / year	187,422,416	228,651,162

(5) INTERNATIONAL WAKALA INVESTMENTS - NET

	Jointly financed	
	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Matures:		
Within a month	146,764,875	40,072,224
From a month to three months	24,553,080	37,042,980
From three to six months	-	8,089,578
From six to twelve months	3,545,000	-
Total International Wakala Investments	174,862,955	85,204,782
Less: Provision of expected credit losses for international wakala investment	(219,170)	(73,463)
Net International Wakala Investments	174,643,785	85,131,319

(6) DEFERRED SALES RECEIVABLES AND OTHER RECEIVABLES - NET

The details of this item are as follows :

	Joint		Self		Total	
	31 March 2024 (Reviewed)	31 December 2023 (Audited)	31 March 2024 (Reviewed)	31 December 2023 (Audited)	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD	JD	JD	JD	JD
Individuals (retail)						
Murabaha to the purchase orderer	483,021,503	468,912,266	1,906,866	1,837,634	484,928,369	470,749,900
Ijara Muntahia Bittamleek - receivables	3,155,980	2,333,538	149	-	3,156,129	2,333,538
Other receivables	8,894,339	8,443,484	20,391	20,391	8,914,730	8,463,875
Real estate financing	18,456,347	18,763,701	-	-	18,456,347	18,763,701
Ijara Muntahia Bittamleek - receivables	2,568,696	2,655,792	-	-	2,568,696	2,655,792
Corporate						
International Murabaha	7,095,071	2,238,029	-	-	7,095,071	2,238,029
Murabaha to the purchase orderer	401,628,630	431,091,493	-	-	401,628,630	431,091,493
Ijara Muntahia Bittamleek - receivables	965,508	666,410	-	-	965,508	666,410
Other receivables	-	-	93,226	112,202	93,226	112,202
Small and medium enterprises						
Murabaha to the purchase orderer	65,626,743	62,336,934	-	-	65,626,743	62,336,934
Ijara Muntahia Bittamleek - receivables	-	23,519	-	-	-	23,519
Other receivables	-	-	365,559	389,168	365,559	389,168
Government and the public sector	558,078,908	531,023,519	-	-	558,078,908	531,023,519
Total	1,549,491,725	1,528,488,685	2,386,191	2,359,395	1,551,877,916	1,530,848,080
Less: Deferred revenue	183,736,737	179,999,187	290,490	285,008	184,027,227	180,284,195
Suspended revenue	2,630,056	2,330,284	7,112	7,112	2,637,168	2,337,396
Provision of expected credit losses	66,132,269	60,823,719	31,368	32,255	66,163,637	60,855,974
Net deferred sales receivable and other receivables	1,296,992,663	1,285,335,495	2,057,221	2,035,020	1,299,049,884	1,287,370,515

- The non-performing deferred sales receivables, other receivables, facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan amounted to JD 64,009,677 as at 31 March 2024 representing 4.04% of deferred sales receivables, other receivables, facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan (JD 45,306,142 as of 31 December 2023 representing 2.89% of deferred sales receivables, other receivables, facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan).
- The non-performing deferred sales receivables, other receivables facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan after deducting the suspended revenues amounted to JD 61,372,509 as at 31 March 2024 representing 3.88 % of deferred sales receivable, other receivables facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan (JD 42,968,746 as at 31 December 2023 representing 2.75 % of deferred sales receivable, other receivables facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan).
- There are no non-performing debts converted to items outside the interim condensed consolidated statement of financial position during the period 31 March 2024 compared to JD 12,114,982 as at 31 December 2023, noting that these debts are fully covered by provisions and outstanding profits.
- The provision for impairment of the jointly financed facilities which is calculated based on the Central Bank of Jordan's Instructions No.(47/2009) in the "under supervision" portfolio amounted to JD 2,232,884. Moreover, the provision calculated based on the individual customer (non-performing) amounted to JD 37,948,117 as at 31 March 2024 (JD 1,773,195 and JD 30,015,210 respectively as at 31 December 2023).
- The deferred sales receivables and other receivables and facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 454,649,933 as at 31 March 2024 representing 28.71% of the balance of deferred sales receivables, other receivables and facilities (JD 433,652,661 as at 31 December 2023 representing 27.69% of the balance of deferred sales receivables, other receivables and facilities).

- The movement on credit facilities (after deducting suspended and deferred revenue) was as follows :

A- Self financed (Deferred sales receivables , other receivable and Qard Hasan)

Item	For the three-month period ended 31 March 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the period / year	32,284,007	1,716,023	2,133,784	149,130	1,041,219	37,324,163	9,618,451
New facilities during the period / year	1,076,819	207,130	4,767,122	160,115	270	6,211,456	35,032,653
Settled facilities	(8,887,999)	(58,138)	(39,642)	(10,611)	(487)	(8,996,877)	(6,700,005)
Transferred to stage 1	-	35,274	-	(34,921)	(353)	-	-
Transferred to stage 2	-	(13)	-	13	-	-	-
Transferred to stage 3	-	(11,989)	(3,206)	(86,561)	101,756	-	-
The total impact on exposures as a result of transfers between stages	-	(10,286)	-	(1)	(7,921)	(18,208)	(24,286)
Changes resulting from modifications	(506,590)	(108,283)	9,645	(2,990)	752	(607,466)	(558,025)
Written off facilities or transferred to off-balance sheet items	-	-	-	-	-	-	(44,625)
Total balance at the end of the period / year	23,966,237	1,769,718	6,867,703	174,174	1,135,236	33,913,068	37,324,163

- The movement on provision for expected credit losses on credit facilities / self financed :

Item	For the three-month period ended 31 March 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Corporate	Small and medium enterprises	Individual (Retail)	Real estate loans	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	533,253	144,574	230,577	-	-	908,404	522,051
Impairment loss on new facilities during the period / year	141,217	235	9,895	-	-	151,347	572,380
Recoverable from the loss on settled facilities	(55,215)	(68)	(1,309)	-	-	(56,592)	(250,162)
Transferred to stage 1	-	(70)	354	-	-	284	-
Transferred to stage 2	(24)	(1)	(177)	-	-	(202)	-
Transferred to stage 3	24	71	(176)	-	-	(81)	-
The total impact on exposures as a result of transfers between stages	2,445	18,848	3,771	-	-	25,064	8,388
Changes resulting from modifications	(12,939)	6,073	(418)	-	-	(7,284)	100,372
Written off facilities or transferred to off-balance sheet items	-	-	-	-	-	-	(44,625)
Total balance at the end of the period / year	608,761	169,662	242,517	-	-	1,020,940	908,404

Redistribution:

Provisions on an individual basis	608,761	169,427	226,930	-	-	1,005,118	900,011
Provisions at a collective basis	-	235	15,587	-	-	15,822	8,393

- The movement on credit facilities (after deducting suspended and deferred revenue) was as follows :
B- Jointly financed

Item	For the three-month period ended 31 March 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual JD	Collective JD	Individual JD	Collective JD			
Total balance at the beginning of the period / year	792,117,590	391,835,502	73,137,097	47,849,424	41,219,601	1,346,159,214	1,371,067,546
New facilities during the period / year	51,417,251	42,624,033	3,468,971	1,337,346	42,199	98,889,800	250,087,875
Settled facilities	(11,164,474)	(6,791,843)	(2,622,646)	(698,384)	(103,078)	(21,380,425)	(103,769,493)
Transferred to stage 1	1,492,719	6,027,529	(1,492,719)	(6,015,712)	(11,817)	-	-
Transferred to stage 2	(21,284,036)	(15,112,292)	21,284,036	15,663,081	(550,789)	-	-
Transferred to stage 3	(65,017)	(80,074)	(12,290,749)	(3,329,977)	15,765,817	-	-
The total impact on exposures as a result of transfers between stages	(48,837)	(733,464)	(1,385,568)	226,553	133,283	(1,808,033)	622,206
Changes resulting from modifications	(36,986,102)	(19,678,159)	(993,006)	(1,247,259)	168,902	(58,735,624)	(160,713,065)
Written off facilities or transferred to off-balance sheet items	-	-	-	-	-	-	(11,135,855)
Total balance at the end of the period / year	775,479,094	398,091,232	79,105,416	53,785,072	56,664,118	1,363,124,932	1,346,159,214

- The movement on provision for expected credit losses on credit facilities - jointly financed :

Item	For the three-month period ended 31 March 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Corporate	Small and medium enterprises	Individual (Retail)	Real estate loans	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	31,589,864	3,147,430	20,594,586	5,491,839	-	60,823,719	56,409,431
Impairment loss on new facilities during the period / year	831,085	6,185	173,911	27,992	-	1,039,173	2,577,852
Recoverable from impairment loss on settled facilities	(361,022)	(23,171)	(83,959)	-	-	(468,152)	(3,282,224)
Transferred to stage 1	(184,925)	(12,821)	288,013	(46,049)	-	44,218	-
Transferred to stage 2	(3,762,109)	13,969	(307,150)	46,049	-	(4,009,241)	-
Transferred to stage 3	3,947,034	(1,148)	19,137	-	-	3,965,023	-
The total impact on exposures as a result of transfers between stages	(60,641)	122,743	1,271,441	326,936	-	1,660,479	3,164,406
Changes resulting from modifications	(861,366)	(22,070)	3,312,560	647,926	-	3,077,050	13,090,109
Written off facilities or transferred to off-balance sheet items	-	-	-	-	-	-	(11,135,855)
Total balance at the end of the period / year	31,137,920	3,231,117	25,268,539	6,494,693	-	66,132,269	60,823,719
Redistribution:							
Provisions on an individual basis	31,137,920	2,867,289	13,505,082	6,478,849	-	53,989,140	39,702,815
Provisions at a collective basis	-	363,828	11,763,457	15,844	-	12,143,129	21,120,904

Suspended revenue :

The movement on suspended revenue is as follows:

	Self financed							
	For the period ended 31 March 2024 (Reviewed)				For the year ended 31 December 2023 (Audited)			
	Individual (Retail)	Corporate	Small and medium enterprises	Total	Individual (Retail)	Corporate	Small and medium enterprises	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	-	7,112	-	7,112	-	7,112	-	7,112
Add: suspended revenue during the period / year	-	-	-	-	-	-	-	-
Less: settled revenue / written off or transferred to off-balance sheet items	-	-	-	-	-	-	-	-
Less: suspended revenue transferred to revenue	-	-	-	-	-	-	-	-
Balance at the end of the period / year	-	7,112	-	7,112	-	7,112	-	7,112

	Jointly financed							
	For the period ended 31 March 2024 (Reviewed)				For the year ended 31 December 2023 (Audited)			
	Individual (Retail)	Corporate	Small and medium enterprises	Total	Individual (Retail)	Corporate	Small and medium enterprises	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	1,380,940	699,135	250,209	2,330,284	1,225,804	1,363,282	134,325	2,723,411
Add: suspended revenue during the period / year	182,568	113,678	33,827	330,073	542,805	400,232	131,194	1,074,231
Less: settled revenue / written off or transferred to off-balance sheet items	-	-	-	-	88,588	845,914	-	934,502
Less: suspended revenue transferred to revenue	27,358	-	2,943	30,301	299,081	218,465	15,310	532,856
Balance at the end of the period / year	1,536,150	812,813	281,093	2,630,056	1,380,940	699,135	250,209	2,330,284

(7) FINANCIAL ASSETS AT FAIR VALUE THROUGH UNRESTRICTED INVESTMENT ACCOUNTS HOLDERS' EQUITY - NET

The details of this item are as follows:

	Jointly financed	
	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Quoted Financial Assets :		
Corporate Shares	2,157,289	2,312,403
Islamic Sukuk	121,766,202	83,457,020
Total Quoted Financial Assets	123,923,491	85,769,423
Unquoted Financial Assets:		
Corporate Shares	6,385,059	5,881,231
Islamic Sukuk	348,602,517	360,587,505
Total Unquoted Financial Assets	354,987,576	366,468,736
Total Financial Assets At Fair Value through Unrestricted Investment Accounts Holders' Equity	478,911,067	452,238,159
Less: Expected Credit Losses provision of financial assets	(172,485)	(149,624)
Financial Assets at Fair Value through Unrestricted Investment Accounts Holders' Equity-net	478,738,582	452,088,535

Unquoted financial assets were presented at cost or in accordance with the latest financial statements.

(8) IJARA MUNTAHIA BITTAMLEEK ASSETS - NET

	Jointly financed			Self financed			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
<u>31 March 2024 (Reviewed)</u>	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntahia Bittamleek assets - Real Estate	775,799,149	(136,525,876)	639,273,273	8,188,978	(1,885,756)	6,303,222	783,988,127	(138,411,632)	645,576,495
Ijara Muntahia Bittamleek assets - Machines	85,578,905	(17,390,281)	68,188,624	-	-	-	85,578,905	(17,390,281)	68,188,624
Ijara Muntahia Bittamleek assets - Vehicles	5,799,284	(961,442)	4,837,842	-	-	-	5,799,284	(961,442)	4,837,842
Total	867,177,338	(154,877,599)	712,299,739	8,188,978	(1,885,756)	6,303,222	875,366,316	(156,763,355)	718,602,961

	Jointly financed			Self financed			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
<u>31 December 2023 (Audited)</u>	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntahia Bittamleek assets - Real Estate	745,035,326	(127,341,664)	617,693,662	8,247,587	(2,050,328)	6,197,259	753,282,913	(129,391,992)	623,890,921
Ijara Muntahia Bittamleek assets - Machines	83,241,239	(16,318,926)	66,922,313	-	-	-	83,241,239	(16,318,926)	66,922,313
Ijara Muntahia Bittamleek assets - Vehicles	5,836,477	(876,943)	4,959,534	-	-	-	5,836,477	(876,943)	4,959,534
Total	834,113,042	(144,537,533)	689,575,509	8,247,587	(2,050,328)	6,197,259	842,360,629	(146,587,861)	695,772,768

- The accrued Ijara installments amounted to JD 6,690,333 as of 31 March 2024 (JD 5,679,259 as of 31 December 2023). Moreover, the accrued Ijara installments were presented under deferred sales receivables and other receivables (note 6).

- The non-performing Ijara Muntahia Bittamleek amounted to JD 6,210,069 as of 31 March 2024 representing 0.86% of the balance of Ijara Muntahia Bittamleek assets (JD 5,276,218 as of 31 December 2023 representing 0.76% of the balance of Ijara Muntahia Bittamleek assets).

(9) OTHER ASSETS

The details of this item are as follows:

	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Seized assets by the bank against debts-net*	35,885,661	36,407,094
Prepaid expenses	2,378,482	1,838,427
Deposit Insurance Corporation fees / Prepaid	3,756,365	-
Accrued revenue	5,798,147	5,671,086
Stationery and printing inventory	318,780	271,612
Withholding income tax	5,925	40,697
Petty cash and advances	46,202	41,650
Other accounts receivable	879,302	869,165
Others	2,674,877	917,047
Total	51,743,741	46,056,778

* The movement of the seized assets by the Bank against debts was as follows:

	For the three months ended 31 March 2024 (Reviewed)			For the year ended 31 December 2023 (Audited)
	Seized real estates self financed	Seized real estates jointly financed	Total	Total
	JD	JD	JD	JD
Balance at the beginning of the period / year	391,729	37,450,928	37,842,657	9,613,940
Additions	-	4,479	4,479	28,446,339
Sales and disposals	-	(536,229)	(536,229)	(217,622)
Total	391,729	36,919,178	37,310,907	37,842,657
Provision of seized assets (CBJ Instructions) /impairment of real estate	(343,441)	(1,081,805)	(1,425,246)	(1,435,563)
Balance at the end of the period / year	48,288	35,837,373	35,885,661	36,407,094

- The Central Bank of Jordan's regulations require disposal of seized assets during a maximum period of two years from the date of repossession, and in some exceptional cases the Central Bank of Jordan can extend the period for additional two years.

The following is the movement on the provision for expropriated real estate (Central Bank of Jordan instructions / impairment of real estate):

	For the three months ended 31 March 2024 (Reviewed)			For the year ended 31 December 2023 (Audited)
	Seized real estates self financed	Seized real estates jointly financed	Total	Total
	JD	JD	JD	JD
Provision balance at the beginning of the period / year	(343,441)	(1,092,122)	(1,435,563)	(1,330,619)
Additions to the provision for impairment in real estate	-	-	-	(148,687)
Additions to the provision for violating real estate (instructions of the CBJ)	-	-	-	-
Disposal from the provision for impairment of real estate	-	10,317	10,317	41,134
Disposal from the provision of seized assets (CBJ Instructions)	-	-	-	2,609
Balance at the end of the period / year	(343,441)	(1,081,805)	(1,425,246)	(1,435,563)

(10) INCOME TAX

A- Income tax provision

The movement on the income tax provision is as follows :

	For the three months ended 31 March	For the year ended 31 December
	2024 (Reviewed)	2023 (Audited)
	JD	JD
Beginning balance for the period/year	11,919,750	8,746,097
Income tax expense	1,475,132	14,770,915
Income tax from the sale of financial assets	-	13,540
Previous years adjustments (setting off tax deposits for the subsidiary)	(40,697)	-
Less: Income tax paid	(3,005,311)	(11,610,802)
Ending balance for the period/year	10,348,874	11,919,750

B- The income tax expense presented in the Condensed Consolidated Statement of Income and Other Comprehensive Income consists of the following:

	For the three months ended 31 March	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Income tax expense for the period	1,475,132	4,053,647
Released from deferred tax assets - joint	985,305	-
Released from deferred tax assets - self	-	25,365
Added from deferred tax assets - joint	-	(1,730,310)
Added from deferred tax assets - self	(30,424)	-
Total	2,430,013	2,348,702

Income tax has been calculated in accordance with the Income Tax Law No. (34) of 2014 and its amendments. The Bank's statutory income tax rate is 35% plus 3% National Contribution Tax, with a total of 38%.

A final settlement of income tax has been reached until the end of 2020, and the Bank submitted its self-assessment statements for the years 2021 and 2022 within the legal period, and the Income and Sales Tax Department has not reviewed the Bank's records until the date of preparing these interim condensed consolidated financial statements.

In the opinion of management and its tax consultant, the tax provision recorded is sufficient as at 31 March 2024.

The Subsidiary :

Misk Financial Brokerage Company:

- A final settlement of income tax was reached until the end of 2022, with the exception of 2019 where the Company submitted the self-assessment statement for 2019 and the Income and Sales Tax Department has not reviewed the Company's records until the date of preparing these interim condensed consolidated financial statements. The Company also submitted the self-assessment statement for the year 2023, and the Income and Sales Tax Department has not reviewed the Company's records up to the date of preparing these interim condensed consolidated financial statements.

C- Deferred tax assets

The details of this item are as follows:

	For the three months ended 31 March				For the year ended
	2024 (Reviewed)				31 December
					2023 (Audited)
	Balance at the beginning of the period	Released Amounts	Added Amounts	Balance at the end of the period	Deferred tax
	JD	JD	JD	JD	JD
Deferred tax assets - self financed					
Provision of lawsuits against the bank	63,719	-	-	63,719	24,213
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CB) regulations) - self financed	343,441	-	-	343,441	130,507
Provision for ECL for the first and second stages - self financed	289,163	-	80,063	369,226	140,306
Difference in the application of FAS (32) related to leases	889,002	-	-	889,002	337,821
Provision for contingent liabilities	100,000	-	-	100,000	38,000
Unpaid employee bounses	650,578	-	-	650,578	247,220
Total deferred tax assets - self financed	2,335,903	-	80,063	2,415,966	918,067
Deferred tax assets - jointly financed					
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CB) regulations) - jointly financed	990,431	-	-	990,431	376,364
Provision for ECL for the first and second stages - jointly financed	28,846,802	2,592,908	-	26,253,894	9,976,480
Total deferred tax assets - jointly financed	29,837,233	2,592,908	-	27,244,325	10,352,844
Total	32,173,136	2,592,908	80,063	29,660,291	11,270,911

The movement on self-financed deferred tax assets is as follows:

	For the three months ended 31 March	For the year ended 31 December
	2024 (Reviewed)	2023 (Audited)
	JD	JD
Balance at the beginning of the period/year	887,643	793,221
Additions during the period/year	30,424	319,489
Amortized during the period/year	-	(225,067)
Balance at the End of the period/year	918,067	887,643

- The movement on jointly-financed deferred tax assets is as follows:

	For the three months ended 31 March 2024 (Reviewed)	For the year ended 31 December 2023 (Audited)
	JD	JD
Balance at the beginning of the period/year	11,338,149	7,475,291
Additions during the period / year	-	3,862,858
Amortized during the period / year	(985,305)	-
Balance at the end of the period/year	10,352,844	11,338,149

(11) OTHER LIABILITIES

The details of this item are as follows:

	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Accrued and not paid expenses	2,199,801	1,618,292
Certified cheques	11,724,559	9,868,834
Provision of expected credit losses on off balance sheet items - self financed**	137,441	137,628
Provision of expected credit losses on off balance sheet items - jointly financed***	1,275,325	1,402,126
Shareholders and customers deposits	12,420,513	10,406,587
Customers' share of profits from unrestricted investment	33,400,358	32,856,675
Temporary deposits*	9,322,711	14,543,920
Outgoing transfers	412,408	89,983
Visa claims	4,225,841	4,349,375
Others	8,210,230	7,726,027
Total	83,329,187	82,999,447

* This item includes intermediate accounts for an amount of JD 5,959,358 as of 31 March 2024 (JD 10,193,322 as of 31 December 2023), which is the value of credits and deferred policies, and the value will be paid when due.

• Expected credit losses

** Expected credit loss of indirect facilities

A- Self financed

Movement on indirect facilities :

Item	For the three months ended 31 March 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the period / year	117,879,308	-	3,356,757	-	147,809	121,383,874	113,801,360
New exposures during the period / year	97,813,112	-	613,830	-	-	98,426,942	73,731,901
Accrued exposures	(5,134,574)	-	(645,337)	-	-	(5,779,911)	(34,516,805)
Transferred to stage 1	86,350	-	(86,350)	-	-	-	-
Transferred to stage 2	(69,538)	-	69,538	-	-	-	-
Transferred to stage 3	-	-	(500,000)	-	500,000	-	-
The total impact on exposures as a result of transfers between stages	(11,228)	-	-	-	-	(11,228)	(167,015)
Changes resulting from modifications	182,778	-	(53)	-	-	182,725	(31,465,567)
Total balance at the end of the period / year	210,746,208	-	2,808,385	-	647,809	214,202,402	121,383,874

- Movement on the provision for expected credit losses (indirect facilities /Self financed) :

Item	For the three months ended 31 March 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	120,152	-	17,476	-	-	137,628	175,041
Impairment loss on new exposures during the period / year	12,368	-	5,071	-	-	17,439	28,190
Impairment loss on matured exposures	(2,462)	-	(750)	-	-	(3,212)	(24,603)
Transferred to stage 1	-	-	-	-	-	-	-
Transferred to stage 2	(117)	-	117	-	-	-	-
Transferred to stage 3	-	-	(413)	-	413	-	-
The total impact on exposures as a result of transfers between stages	-	-	(8)	-	(413)	(421)	(14,371)
Changes resulting from modifications	(13,651)	-	(342)	-	-	(13,993)	(26,629)
Total balance at the end of the period / year	116,290	-	21,151	-	-	137,441	137,628

***Expected credit loss of indirect facilities

B- jointly financed

- Movement on indirect facilities :

Item	For the three months ended 31 March 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the period / year	226,250,120	-	3,463,449	-	-	229,713,569	170,669,703
New exposures during the period / year	21,612,587	-	-	-	-	21,612,587	68,671,811
Accrued exposures	(27,632,597)	-	(710,660)	-	-	(28,343,257)	(30,771,696)
Transferred to stage 1	119,119	-	(119,119)	-	-	-	-
Transferred to stage 2	(29,616)	-	29,616	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-
The total impact on exposures as a result of transfers between stages	58,530	-	6	-	-	58,536	(190,034)
Changes resulting from modifications	14,476,294	-	61,611	-	-	14,537,905	21,333,785
Total balance at the end of the period / year	234,854,437	-	2,724,903	-	-	237,579,340	229,713,569

- Movement on the provision for expected credit losses (indirect facilities /jointly financed) :

Item	For the three months ended 31 March 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	1,337,819	-	64,307	-	-	1,402,126	1,148,342
Impairment loss on new exposures during the period / year	45,627	-	-	-	-	45,627	363,158
Impairment loss on matured exposures	(109,542)	-	(28,833)	-	-	(138,375)	(123,383)
Transferred to stage 1	2,209	-	(2,209)	-	-	-	-
Transferred to stage 2	(254)	-	254	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-
The total impact on exposures as a result of transfers between stages	(1,391)	-	885	-	-	(506)	(3,073)
Changes resulting from modifications	(33,341)	-	(206)	-	-	(33,547)	17,082
Total balance at the end of the period / year	1,241,127	-	34,198	-	-	1,275,325	1,402,126

(12) UNRESTRICTED INVESTMENT ACCOUNTS

The details of this item are as follows:

31 March 2024 (Reviewed)						
	Individuals	Corporates	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	194,043,940	42,492,887	82,544,008	4,995,715	38,178,713	362,255,263
Term accounts / investing deposits	915,521,492	127,770,499	108,017,125	167,565,929	10,589,826	1,329,464,871
Certificates of investing deposit	393,625,547	30,072,868	36,318,758	43,281,949	42,787,060	546,086,182
Total	1,503,190,979	200,336,254	226,879,891	215,843,593	91,555,599	2,237,806,316
Depositors' share from investments' revenue	18,116,546	2,206,164	2,155,189	2,805,867	842,856	26,126,622
Total unrestricted investment accounts	1,521,307,525	202,542,418	229,035,080	218,649,460	92,398,455	2,263,932,938

31 December 2023 (Audited)						
	Individuals	Corporates	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	177,854,180	26,509,581	80,270,165	7,981,193	38,158,333	330,773,452
Term accounts / investing deposits	874,921,624	139,957,783	104,219,141	162,094,071	-	1,281,192,619
Certificates of investing deposit	352,017,857	23,585,730	32,218,881	41,994,820	40,510,358	490,327,646
Total	1,404,793,661	190,053,094	216,708,187	212,070,084	78,668,691	2,102,293,717
Depositors' share from investments' revenue	63,652,001	8,850,031	7,814,114	10,588,868	3,328,964	94,233,978
Total unrestricted investment accounts	1,468,445,662	198,903,125	224,522,301	222,658,952	81,997,655	2,196,527,695

- Unrestricted investment accounts share of profit is calculated as follows:
- 20% to 50% of the minimum balance of saving accounts in Jordanian Dinar.
- 14% to 33% of the minimum balance of saving accounts in foreign currencies.
- 58% to 97% of the average term accounts in Jordanian Dinar.
- 18% to 61% of the average term accounts in foreign currencies.
- 90% of the average balances of investing certificates of deposit in Jordanian Dinar.
- 80% to 85% of average balances of certificates of investing deposit in foreign currencies .
- The general percentage of the profit on the Jordanian Dinar for the period ended 31 March 2024 is (4.58%) (for the same period last year was (4.34 %)).
- The general percentage of the profit on USD for the period ended 31 March 2024 is (3.66%) (for the same period last year was (3.50%)).
- The unrestricted investment accounts for the Government and Public sector amounted to JD 218,649,460 as of 31 March 2024 which represents 9.66 % of the total unrestricted investment accounts (As of 31 December 2023 amounted to JD 222,658,952 which represents 10.14% of the total unrestricted investment accounts).
- The restricted accounts amounted to JD 6,587,098 as of 31 March 2024 which represents 0.29% of the total unrestricted investment (As of 31 December 2023 amounted to JD 1,710,428 which represent 0.08% of the total unrestricted investment).
- The dormant accounts as of 31 March 2024 amounted to JD 8,814,741 (As of 31 December 2023 amounted to JD 8,836,620).

(13) DEFERRED SALES REVENUE

The details of this item are as follows:

	For the three months ended 31 March			
	2024 (Reviewed)		2023 (Reviewed)	
	Jointly financed	Self financed	Jointly financed	Self financed
	JD	JD	JD	JD
Individuals (Retail)				
Murabaha to the purchase orderer	8,483,600	29,703	7,043,264	24,012
Real estate facilities	384,009	-	372,674	-
Corporate				
International Murabaha	144,348	-	27,997	-
Murabaha to the purchase orderer	5,922,718	-	9,135,669	-
Small and medium enterprises				
Murabaha to the purchase orderer	1,132,360	-	888,765	-
Government and the public sector	5,660,419	-	4,781,484	-
Total	21,727,454	29,703	22,249,853	24,012

(14) GAINS FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH UNRESTRICTED INVESTMENT ACCOUNTS' HOLDERS EQUITY

The details of this item are as follows:

	Jointly financed	
	For the three months ended 31 March	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Shares dividends	1,759	487
Gains from sale of financial assets	59,063	7,642
Islamic Sukuk profits	5,769,464	2,594,699
Total	5,830,286	2,602,828

(15) GAINS FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF PROFIT OR LOSS

The details of this item are as follows:

	Jointly financed							
	For the three months ended 31 March							
	2024 (Reviewed)				2023 (Reviewed)			
	Realized gains	Unrealized gains (losses)	Dividends	Total	Realized gains	Unrealized gains (losses)	Dividends	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Corporate Shares	-	-	-	-	-	-	-	-
Sukuk	2,958	-	-	2,958	7,385	-	-	7,385
Total	2,958	-	-	2,958	7,385	-	-	7,385
Less:								
Contract commission	-	-	-	-	-	-	-	-
Total	2,958	-	-	2,958	7,385	-	-	7,385

(16) BANK'S SELF FINANCED REVENUE

The details of this item are as follows:

	Self financed	
	For the three months ended	
	31 March	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Ijara Muntahia Bittamleek revenue	195,335	188,400
Deferred sales revenue (Note 13)	29,703	24,012
Total	225,038	212,412

(17) EARNINGS PER SHARE FOR THE PERIOD

The details of this item are as follows:

	For the three months ended	
	31 March	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Profit for the period	3,955,051	3,803,745
	share	share
Weighted average number of shares	100,000,000	100,000,000
	JD/Fils	JD/Fils
Basic and diluted earnings per share for the period	0/040	0/038

(18) CASH AND CASH EQUIVALENTS

The details of this item are as follows:

	For the three months ended	
	31 March	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Cash and balances at the CBJ maturing within three months	215,943,459	165,724,666
Add: cash at banks and banking institutions maturing within three months	14,861,495	22,141,241
Less: banks and financial banking accounts maturing within three months	(14,818,965)	(13,200,657)
Total	215,985,989	174,665,250

(19) RELATED PARTY TRANSACTIONS

The Bank enters into transactions with shareholders, board members, and senior management within its normal course of business at commercial rates of Murabaha and trade commissions. All deferred sales receivables and facilities granted to related parties are performing, and no provisions were taken for these balances. The related parties' transactions are as follows :

	Main shareholders	Senior management	Board of Directors members	Etihad Islamic investment company *	Sharia Supervisory members	Total	
						31 March	31 December
						2024 (Reviewed)	2023 (Audited)
	JD	JD	JD	JD	JD	JD	JD
<u>Interim condensed consolidated statement of financial position items:</u>							
Balances at banks and banking institutions	-	-	-	68,812	-	68,812	995,237
Unrestricted investments accounts and current accounts	146,703	1,443,612	700,388	11,069,530	63,972	13,424,205	13,591,349
Deferred sales receivables and facilities	-	413,833	2,440	-	-	416,273	409,409
Ijara Muntahia Bittamleek assets	-	1,268,312	475,641	-	-	1,743,953	1,776,306
<u>Off statement of financial position items :</u>							
Letters of guarantee	-	-	1,500	-	-	1,500	1,500
<u>Condensed consolidated intreim statement of Income and comprehensive income items:</u>						For the three months ended 31 March	
						2024 (Reviewed)	2023 (Reviewed)
Dividends	35	12,985	2,086	163,735	404	179,245	291,065
Profits received	-	18,438	7,879	-	-	26,317	26,028
Salaries and bonuses	-	476,706	13,753	-	11,097	501,556	455,739
Transportation	-	-	157,100	-	6,600	163,700	163,603
Card services	-	-	-	2,127	-	2,127	2,127

*Al Etihad Islamic For Investment Company which owns 62.37% of Safwa Islamic Bank .

-The lowest and highest received Murabaha rate were 5.47% and 7.74% respectively.

-The lowest and highest rate of Ijara Muntahia Bittamleek received by the Bank were 3.75% and 7.25% respectively.

-The lowest and highest distributed profit rate were 0.21% and 5.36% respectively.

-Executive management salaries and benefits for the period ended 31 March 2024 amounted to JD 476,706 (JD428,889 as of 31 March 2023).

-All facilities granted to related parties are performing and no provisions were recorded for it .

(20) SEGMENT INFORMATION

A. Information on the Bank's Activities

The Bank is structured for administrative purposes whereby sectors are measured according to the reports used by the executive director and main decision maker at the Bank through three major business sectors:

Individuals Accounts:-

This sector follows up on the unrestricted investment accounts, deferred sales receivables, facilities, and other services related to individuals.

Corporate Accounts:-

This sector includes unrestricted investment accounts, deferred sales receivables, facilities, and other banking services related to corporate customers.

Treasury:-

This sector includes the services of brokerage, treasury and management of the Bank's funds.

Information on the Bank's segments according to activities is shown as follows:

	Individuals	Corporate	Treasury	Other	For the three months ended	
					March 31	
					2024 (Reviewed)	2023 (Reviewed)
					Total	Total
	JD	JD	JD	JD	JD	JD
Net revenue (joint and self financed)	2,985,535	8,419,035	8,515,315	217,921	20,137,806	19,536,534
Expected credit losses (joint and self financed)	(4,685,893)	(467,602)	(309,171)	-	(5,462,666)	(5,467,366)
Results of segment's operations	(1,700,358)	7,951,433	8,206,144	217,921	14,675,140	14,069,168
Distributed expenses	(592,283)	(542,737)	(196,471)	-	(1,331,491)	(1,596,363)
Undistributed expenses	-	-	-	(6,958,585)	(6,958,585)	(6,320,358)
Profit for the period before tax	(2,292,641)	7,408,696	8,009,673	(6,740,664)	6,385,064	6,152,447
Income tax expense	-	-	-	(2,430,013)	(2,430,013)	(2,348,702)
Profit for the period	(2,292,641)	7,408,696	8,009,673	(9,170,677)	3,955,051	3,803,745
					31 March 2024	31 December 2023
					(Reviewed)	(Audited)
					JD	JD
Segments' assets	869,835,714	1,028,227,038	1,035,515,943	-	2,933,578,695	2,838,064,475
Undistributed assets	-	-	-	94,896,631	94,896,631	90,919,001
Total assets	869,835,714	1,028,227,038	1,035,515,943	94,896,631	3,028,475,326	2,928,983,476
Segments' liabilities and total equity of unrestricted investment accounts holders	1,739,805,020	813,680,565	178,289,766	-	2,731,775,351	2,634,295,482
Undistributed liabilities	-	-	-	103,389,184	103,389,184	105,378,254
Total liabilities and Total equity of unrestricted investment accounts holders	1,739,805,020	813,680,565	178,289,766	103,389,184	2,835,164,535	2,739,673,736
					For the three months ended	
					31 March	
					2024 (Reviewed)	2023 (Reviewed)
					JD	JD
Capital expenditure					464,613	578,031
Depreciation and amortization					785,017	769,136

Geographical Distribution Information

The following disclosure represents the geographical distribution. The Bank performs its operations mainly inside the Kingdom.

Distribution of the Bank's revenue, assets and capital expenditure according to geographical area is as follows :

	31 March 2024 (Reviewed)			31 December 2023 (Audited)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Total assets	2,710,781,029	317,694,297	3,028,475,326	2,732,645,198	196,338,278	2,928,983,476
	For the three months ended			For the three months ended		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Net revenue	16,744,153	3,393,653	20,137,806	18,139,823	1,396,711	19,536,534
Capital expenditure	464,613	-	464,613	578,031	-	578,031

(21) CAPITAL MANAGEMENT

The Bank's management takes into consideration the Central Bank of Jordan's requirements which require the Bank to have sufficient self-financed resources to cover a certain percentage of its risk-weighted assets based on the nature of the finance granted and direct investment made. Accordingly, the capital considered as per the Central Bank of Jordan's requirements is the regulatory capital (both basic and additional capital).

Capital management aims to invest the Bank's fund in various risk-weighted investments (low and high risk) to ensure that the Bank obtains a better rate of return and to maintain a capital adequacy of 12% as required by the Central Bank of Jordan.

The capital adequacy ratio is calculated as on 31 March 2024 according to the instructions of the regulatory capital No. (72/2018) issued by the Central Bank of Jordan in accordance with the revised standard No. (15) issued by the Islamic Financial Services Council (IFSB) in support of the provisions of Article (99/ B) from the Banking Law. The following is the capital adequacy ratio in thousands of dinars:

	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD"000	JD"000
Basic capital items	182,706	179,468
Authorised (paid-in) capital	100,000	100,000
Retained earnings	54,294	54,294
Statutory reserve	35,041	35,041
Full fair value reserve - self	21	(25)
The Bank's share of the fair value reserve in case of (jointly financed)	(190)	(159)
Profit for the period after tax and after proposed dividends	3,955	-
Intangible assets	(1,633)	(1,697)
Deferred tax assets	(918)	(888)
The Bank's share of the deferred tax assets in case of (jointly financed)	(4,618)	(4,853)
The Bank's share in the capital of banks and financial institutions that is less than 10%	(3,246)	(2,245)
Additional capital	-	-
Support capital	5,645	4,496
Self financed general banking risks reserve and the Bank's share from the General banking risks reserve (joint) (not to exceed 1.25% of financial assets weighted by credit risks)	5,645	4,496
Total regulatory capital	188,351	183,964
 Total risk weighted assets	 1,119,447	 1,124,074
Capital adequacy ratio (%)	16.83%	16.37%
Basic capital ratio (%)	16.32%	15.97%
First tier ratio (%)	16.32%	15.97%
Second tier ratio (%)	0.50%	0.40%
Leverage ratio	14.76%	14.99%

(22) Liquidity Coverage Ratio

- The liquidity coverage ratio in total amounted to 784.4% as at 31 March 2024 with an average rate of 686.77% during the period (349.9% as at 31 December 2023 and an average rate of 355.3% during the year).
- The liquidity coverage ratio in Jordanian Dinars reached 380.8% as at 31 March 2024 with an average rate of 365.33% during the period (355.4% as at 31 December 2023 and an average rate of 328.4 % during the year).

(23) CONTINGENT COMMITMENTS (OFF BALANCE SHEET)**A. Contingent credit and commitments/self financed***

	31 March 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Letters of credit	155,649,838	68,971,198
Acceptances	13,360,998	7,978,979
Letters of guarantee:		
-Payment	14,346,303	14,787,127
-Performance	18,948,511	16,932,374
-Others	11,896,752	12,714,196
Total	214,202,402	121,383,874

B. Contingent credit and commitments/jointly financed

Unutilized credit limits / direct	237,579,340	229,713,569
Total	237,579,340	229,713,569

*Indirect unutilized credit limits / self financed amounted to JD 49,328,920 as of 31 March 2024 .

(24) LAWSUITS AGAINST THE BANK

The total amount of the legal cases filed against the Bank was JD 1,312,926 as at 31 March 2024 (JD 1,093,872 as at 31 December 2023) which are within the Bank's normal course of business. In the opinion of management and the Bank's lawyer, the booked provision is sufficient to meet any obligations that may be incurred by the Bank as a result of these cases.

In addition to the cases referred to above, lawsuits were filed against the Bank related to the annulment of contracts of real estate owned, leased, financed, and/or mortgaged in favor of the Bank, and these cases do not a financial impact or obligation on the Bank.

(25) FAIR VALUE HIERARCHY

The International Financial Reporting Standard no. (13) requires the identification and disclosure of a level in the fair value hierarchy in which fair value measurements are categorized in full, and the fair value measurements are classified according to the levels specified in IFRS. The difference between level (2) and level (3) for fair value measurements means assessing whether information or inputs are observable and the importance of information that is not observable. This requires careful judgment and analysis of the inputs used to measure fair value including consideration of all factors affecting the asset or liability.

A. Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis:

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table provides information about how the fair value of these financial assets and financial liabilities is determined (valuation techniques and key inputs).

Financial Assets/Financial Liabilities	Fair value		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable	relationship or unobservable inputs to fair value
	31 March 2024 (Reviewed)	31 December 2023 (Audited)				
	JD	JD				
Financial assets at fair value through statement of Income	-	-	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Financial assets at fair value through shareholders' equity - self financed	554,000	508,000	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Financial assets at fair value through unrestricted investment accounts' holders equity - net						
Quoted shares	2,157,289	2,312,403	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	121,593,717	83,307,396	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Unquoted shares	6,385,059	5,881,231	Level 3	The latest financial statements available	Not applicable	Not applicable
Unquoted sukuk	348,602,517	360,587,505	Level 2	A similar financial instrument	Not applicable	Not applicable
Total Financial assets at fair value through unrestricted investments accounts - net	478,738,582	452,088,535				
Total	479,292,582	452,596,535				

There were no transfers between level 1 and 2 during the period ended 31 March 2024 and the year ended 31 December 2023 .

B. Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis:

Except for what is detailed in the following table, management believes that the carrying amounts of financial assets and financial liabilities recognized in the Bank's interim condensed consolidated financial statements approximate their fair values

	31 March 2024 (Reviewed)		31 December 2023 (Audited)		Fair value hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
Financial assets not determined at fair value					
Deferred sales receivables and other receivables - net	1,299,049,884	1,483,077,111	1,287,370,515	1,467,654,710	Level 2
Ijara Muntahia Bittamleek assets-net	718,602,961	718,602,961	695,772,768	695,772,768	Level 2
Total financial assets not determined at fair value	2,017,652,845	2,201,680,072	1,983,143,283	2,163,427,478	
Financial liabilities not determined at fair value					
Customers' current accounts and unrestricted investment accounts	2,580,164,563	2,612,516,987	2,516,247,571	2,548,506,151	Level 2
Cash margin accounts	137,216,628	138,264,562	95,274,911	95,873,006	Level 2
Total financial liabilities not determined at fair value	2,717,381,191	2,750,781,549	2,611,522,482	2,644,379,157	